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ECONOMIC COLLABORATION BETWEEN USSR AND PEOPLES' DEMOCRACIES

A. Korolenko

As a result of negotiations successfully concluded by the Ministry of Foreign Trade USSR and the trade delegations of Poland, Bulgaria, and Rumania, protocols were signed in January 1949 for an exchange of goods in 1949 between the USSR and these countries. An agreement on commodity trade and payments in 1949 between USSR and Rumania, and an agreement on the granting of technical assistance to Rumania were also signed.

Commodity trade planned for 1949 between USSR and the above-cited countries exceeds that of 1948.

The planned volume of commodity trade between USSR and Poland in 1949 will increase by 35 percent in comparison with the level of yearly delivery by the agreement on exchange of goods for the period 1948-1952, signed 26 January 1948. The value of the goods to be delivered in 1949 by each party will amount to about 715 million rubles, not including the value of the equipment supplied by the Soviet Union to Poland according to the credit agreement. The USSR will supply Poland with cotton, iron, manganese, chrome ore, trucks, tractors, agricultural machines, petroleum products, chemicals, and other commodities. Poland, for its part, will supply the USSR with coal, railroad rolling stock, nonferrous and ferrous metals, textiles, sugar, and other commodities.

General commodity trade between USSR and Bulgaria will increase by 20 percent in 1949 in comparison with 1948, not including the value of the equipment supplied by the Soviet Union to Bulgaria according to the credit agreement. Bulgaria will import from the USSR petroleum products, cotton, ferrous and nonferrous metals, machine tools, tractors, trucks and synthetic fertilizer. Bulgaria will supply the Soviet Union with tobacco, lead and zinc concentrates, copper ore, and cement.

Trade between the USSR and Rumania will be increased in 1949 by 2½ times as compared with 1948. The value of the goods to be delivered in 1949 by each party will be about 465 million rubles. The Soviet Union will supply Rumania with industrial equipment, trucks, metals, agricultural machines, iron ore, coke,

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cotton, seed, and other commodities. The Soviet Union will take orders from Rumania for industrial equipment which requires a long term in manufacture. Technical assistance will be given in the construction of enterprises and in the production of new types of machines. Rumania will supply the USSR with petroleum products, timber, locomotives, railroad cars, barges, chemicals, meat products and consumers' goods.

Trade between the USSR and Czechoslovakia in 1949 will be increased by more than 45 percent as compared with 1948, according to an agreement concluded in December 1948 between the government of USSR and the Czechoslovak government delegation, headed by A. Zapotocky, Chairman of the Council of Ministers of Czechoslovakia. The Soviet Union will assist in the development of Czechoslovak production and in the restoration of the Czechoslovak economy by delivering necessary raw materials for industry, industrial equipment, especially machines for heavy machine building, construction, timber, mining industries, etc., by increasing and expanding technical collaboration, and granting loans in gold and free currency. Czechoslovakia will supply the Soviet Union with petroleum, railroad equipment, and textile goods.

Trade between the USSR and Hungary will be doubled in 1949, according to an agreement concluded between these countries in October 1948.

In addition to an expansion of commodity trade between the USSR and the peoples' democracies, significant success has also been achieved in the development of other forms of economic collaboration. This collaboration has taken the forms of an exchange of technical experience and a granting of technical assistance, the foundation of mixed trade boards, the organization of exhibitions, the establishment of mixed societies, etc. Thanks to the application of a policy of increased economic collaboration, the peoples' democracies and the USSR have made possible an acceleration in the restoration and development of their own national economy.

By supplying the peoples' democracies with capital equipment, machines, and machine tools, the Soviet Union is promoting the industrialization of these countries. This assistance is not only acknowledged by our friends, but also even those elements which cannot be suspected of harboring any sympathy toward the Soviet Union and the peoples' democracies must now acknowledge it. The organ of the English Conservatives, the newspaper The Times, in the 22 December 1948 issue, noted the great extent of the assistance which the Soviet Union has given to the industrialization of the countries of Eastern Europe.

Because the United States and the western European countries were boycotting the Soviet Union and the peoples' democracies, a conference was held to discuss the possibility of organizing broader economic collaboration between the peoples' democracies and the USSR. The conference decided to set up a Council of Economic Mutual Assistance, made up of the representatives of the countries participating at the conference, which could be joined by other European countries sharing the principles of the Council and desiring to participate in greater economic collaboration with the above-mentioned countries. In February, Albania was admitted as a member.

The tasks of the Council will be the exchange of economic experience, technical cooperation, and mutual assistance with raw materials, food, machines, equipment, etc.

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